

**MINUTES OF THE EMERALD COAST UTILITIES AUTHORITY BOARD MEETING  
HELD THURSDAY, SEPTEMBER 28, 2017 AT 2:00 P.M. IN THE ECUA BOARD  
ROOM AT 9255 STURDEVANT STREET, ELLYSON INDUSTRIAL PARK,  
PENSACOLA, FL**

**Members present:** Lois Benson, Chairman  
Dale Perkins, Vice Chairman  
Vicki Campbell  
Elvin McCorvey  
Larry Walker

**Counsel present:** Bradley S. Odom

**Staff present:** Steve Sorrell, Executive Director  
Nathalie Bowers, Public Information Officer  
Gabriel Brown, Director of Customer Service  
John Daane, Director of Information Technology  
Tim Haag, Director of Government Affairs  
Linda Iversen, Executive Assistant to the Board  
Bill Johnson, Director of Engineering  
Doug Patterson, Risk Manager  
Jim Roberts, Public Information Officer  
Kim Scruggs, Assistant Director of Human Resources and  
Administrative Services  
Patty Sheldon, Director of Finance  
Justin Smith, Assistant Director of Finance  
Cindy Sutherland, Director of Human Resources and  
Administrative Services

**ITEM 1 – INVOCATION AND PLEDGE OF ALLEGIANCE**

Prior to calling the regular meeting of the Board to order, Chairman Benson provided the invocation and led the Pledge of Allegiance.

**ITEM 2 – CALL TO ORDER**

Chairman Benson called the regular meeting of the Emerald Coast Utilities Authority Board to order at approximately 2:01 p.m.

**ITEM 3 – ADOPTION OF AGENDA**

Dr. Walker added “report on the Ellyson Oaks project” to the agenda.

Ms. Campbell added the topics of “customer service, management audit, and review” to the agenda.

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A motion was made by Dr. Walker, seconded by Mr. McCorvey, to approve the agenda as presented and amended. Motion carried 5-0.

**ITEM 4 - PUBLIC HEARINGS:**

Chairman Benson called the public hearings to order at approximately 2:04 p.m. and stated that anyone wishing to comment on any of the following public hearing topics may do so at this time, rather than following agenda order.

There were no comments from the audience regarding the proposed establishment of a new charge for individual bags of finished compost product or the revised sanitation service charges.

- (a) 2:00 p.m. – Proposed establishment of a new charge for individual bags of finished compost product.
- (c) 2:00 p.m. – Proposed establishment of revised water and wastewater rates and charges.
- (e) 2:00 p.m. – Proposed establishment of revised sanitation service charges.

The following individuals addressed the Board speaking against the proposed increases in the water and wastewater rates. Some of the individuals also spoke against the already approved Capital Improvement Fee.

Mr. Barry Tweedie  
10395 Old Dairy Lane  
Pensacola, FL

Ms. JoAnn Houk  
11375 Old Barn Lane  
Pensacola, FL

Dr. Gloria Horning  
310 S. DeVilliers Street  
Pensacola, FL

Ms. Nicole Endacott  
300 N. Gonzalez Street  
Pensacola, FL

Mr. Tom Lanasa  
12 W. Blount Street  
Pensacola, FL

Ms. Bonnie S. Ryan  
7800 LeJeune Drive  
Pensacola, FL

For those individuals speaking against the Capital Improvement Fee, and that have large residential meters, staff suggested that those customers contact ECUA and request that the large meter be replaced with a 5/8" meter, thus reducing their Capital Improvement Fee.

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Ms. Endacott inquired as to when the Capital Improvement Fee would sunset. Mr. Sorrell indicated that date would be determined by the Board once the debt service is paid off.

Chairman Benson closed the public hearings at approximately 2:19 p.m.

**(b) Adoption of Resolution 17-11**

A motion was made by Mr. Perkins, seconded by Ms. Campbell, to adopt Resolution 17-11 - A FINAL RATE SETTING RESOLUTION ESTABLISHING A NEW CHARGE FOR INDIVIDUAL BAGS OF FINISHED COMPOST PRODUCT. Motion carried 5-0.

**(d) Adoption of Resolution 17-12**

A motion was made by Mr. McCorvey, seconded by Dr. Walker, to adopt Resolution 17-12 - A FINAL RATE SETTING RESOLUTION ESTABLISHING REVISED WATER AND WASTEWATER RATES AND CHARGES. Motion carried 3-2 with Ms. Campbell and Mr. Perkins voting against the motion.

**(f) Adoption of Resolution 17-13**

A motion was made by Dr. Walker, seconded by Mr. McCorvey, to adopt Resolution 17-13 - A FINAL RATE SETTING RESOLUTION ESTABLISHING REVISED SANITATION SERVICE CHARGES. Motion carried 5-0.

**ITEM 5 - OPEN FORUM**

(1) Dr. Gloria Horning, 310 South DeVilliers Street, Pensacola, FL, addressed the Board offering her thanks to staff for the cleaning of a valve in her area that helped to reduce the odors in her neighborhood. She also thanked staff for providing the Odalog reports she requested.

(2) Mr. Benjamin L. Phelps, 8 Baggett Court, Pensacola, FL, addressed the Board requesting that he be provided a 30-day extension of impact fee charges on converting five homes on Baggett Court to sewer. Mr. Phelps stated that everything is complete except for the inspection and a 30-day extension would allow for that to occur.

Staff indicated that this would not be a problem and they would get in touch with Mr. Phelps.

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A recess of the meeting was called for at approximately 2:59 p.m. and the meeting was reconvened at approximately 3:08 p.m.

**ITEM 6 – PRESENTATIONS:**

None.

**ITEM 7 - APPROVAL OF MINUTES:**

A motion was made by Mr. McCorvey, seconded by Dr. Walker, to approve the minutes of the regular Board meeting of August 24, 2017 as presented. Motion carried 5-0.

**ITEM 8 - REPORT OF THE ECUA CITIZENS' ADVISORY COMMITTEE 09/20/17**

A motion was made by Ms. Campbell, seconded by Mr. Perkins, to approve the following recommendations for Item F through L. Motion carried 5-0.

**F. Write Off Uncollectible Balances**

Authorize the Executive Director or his designee to write off as uncollectible accounts receivable in the total sum of \$662,592, and make appropriate entries in the financial records of ECUA to reflect the write off of said uncollectible accounts.

These written off accounts enable the Executive Director to carry out his duties in accordance with generally accepted accounting principles and ECUA does not waive any rights it may have to collect said accounts.

**G. Award of Bid – Truck Tire Retread Services**

Approve award of bid for a one-year contract with two optional one-year extensions, not to exceed \$250,000 with Southern Tire Mart of Columbus, MS, as low bidder, with funding for these services provided from the appropriate line item within the Sanitation operating budget.

**H. Award of Purchase – New and Replacement Vehicles for Fiscal Year 2018**

(1) approve and concur with the Executive Director's estimation of value as well as his finding that the vehicles identified in Exhibit A to Tab 1 will no longer be necessary, useful, or profitable in the operation of the utility

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systems of ECUA once each vehicle's identified replacement is placed into service;

(2) authorize the purchase of three (3) replacement vehicles through the National Joint Powers Alliance (NJPA) cooperative purchasing contract;

(3) authorize the purchase of one (1) replacement vehicle from Hub City Ford through the Florida Sheriffs Association Cooperative Purchasing Program;

(4) authorize the purchase of one (1) replacement vehicle from Rush Truck through the State of Florida Contract;

(5) waive the normal purchasing procedures and authorize the purchase of fourteen (14) replacement vehicles from Coggin Ford, the lowest responsive responder to ECUA's solicitation for competitive quotes; and

(6) authorize the disposition that the surplus vehicles identified in Exhibit A, once their replacements are placed into service, by way of on-line public auction, in accordance with Section 2-16.B.1 of the *ECUA Code*.

**I. Purchase of Glass Conveyor – Materials Recycling Facility**

Waive normal purchasing guidelines and approve a sole source purchase of a BHS-designed, fabricated and installed glass conveyor for the MRF at a cost of \$105,985 with funding available in the fiscal year 2018 CIP MRF budget.

**J. Extension of Contract – Thioguard (magnesium hydroxide)**

Waive the normal bidding process and approve a contract extension with Premier Magnesia, LLC, for the sole source purchase of Thioguard at the price of \$2.33 per gallon, with funding from the appropriate budget line item.

**K. Purchase of Purafil Odor Control Filter Media**

Waive the normal bidding process and approve the sole-source purchase of Purafil odor control media due to the proprietary nature of this material, from Pump & Process Equipment, Inc., Pensacola, Florida, for its use at various ECUA sites, with funding from the appropriate budget line item in the fiscal year 2018 Operating budget.

**L. Dryer #2 Liner Repairs and Additional Surface Hardening**

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Waive the formal bid procedure based upon the complexity of the work as well as the rigid prequalification requirements for those working on Komline-Sanderson dryers, and award a contract for the installation of the liners and application of the alloy surface hardening of the paddles for dryer #2 to WILTEW, Semmes, AL, which submitted the lowest responsive proposal, in the total amount of \$138,600, with funding from the appropriate budget line item.

**M. Project Ranking – Triumph Gulf Coast Funding**

Ms. Campbell stated that she would like to see the Creekwood private lift station added to the proposed list for the Triumph Gulf Coast funding. Further, Commissioner Bergosh has indicated if it is on the list, they could consider it.

A motion was made by Ms. Campbell to replace Navy Point sewer expansion, Phase IV, with Creekwood lift station on the list for Triumph funding. *Motion died for lack of a second.*

Mr. Perkins stated if this is something the County and legislature want to do then they can do that. Further, he would just prefer to add it to the list rather than replacing one of the five selected ECUA projects. Mr. Perkins also commented that public funds should not be used for a private lift station.

A motion was made by Mr. Perkins, seconded by Ms. Campbell, to add Creekwood lift station as project number six on the list of requested five projects.

Staff advised that Creekwood does not meet the guidelines for selection and if a particular Commissioner wanted to include the private lift station, they could do so.

Dr. Walker stated that he is philosophically opposed to modifying the policy that ECUA has regarding taking over substandard systems. Further, he feels ECUA should not seek to reduce the financial burden on those substandard private systems.

Ms. Benson stated that economic development was the purpose of the funding and she felt this would not qualify under those guidelines. Further, there was an agreement that the County and ECUA had worked on for Creekwood lift station via MSBU funding. Also, ECUA has an existing policy about substandard lift stations, and there is a vehicle available to Creekwood for cooperation between ECUA and the County.

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Mr. Odom explained that there is an approved MSBU for the Creekwood lift station project and thus funding is not the issue. Also, looking at the request for the ranking that has been made to ECUA is a request to ECUA to identify projects in which public funds would have been diverted to those projects and Creekwood would not fall into this criterion. Further, he does not look at this privately-owned lift station and its upgrade being something that would be an ECUA request as ECUA has been asked to rank its projects, not other projects in the community and he feels Creekwood lift station does not fall within the scope of Triumph funding.

Mr. Perkins withdrew his motion; however, Ms. Campbell indicated she did not want to withdraw her second, thus the motion remained. The vote on the motion failed 1-4 with Ms. Benson and Messrs. McCorvey, Perkins and Walker voting against the motion.

A motion was made by Ms. Campbell, seconded by Mr. McCorvey, for approval of the list as tallied and articulated by Mr. Sorrell. Motion carried 5-0.

Downtown sewer rehabilitation  
Navy Boulevard (East)  
Navy Point sewer expansion, Phase IV  
South Brownsville (Mobile Highway) sewer expansion  
Holsberry Lane sewer expansion

**ITEM 9 - OPERATIONAL ITEMS:**

**(a) Adoption of Resolution 17-14**

A motion was made by Mr. Perkins, seconded by Mr. McCorvey, to adopt Resolution 17-14 - A RESOLUTION FINDING THAT SPECIFIC VEHICLES WILL NO LONGER BE NECESSARY, USEFUL, OR PROFITABLE IN THE OPERATION OF THE UTILITY SYSTEMS OF THE ECUA UPON PLACING REPLACEMENT VEHICLES INTO SERVICE; AUTHORIZING DISPOSITION OF THOSE SURPLUS VEHICLES VIA ON-LINE PUBLIC AUCTION; PROVIDING AN EFFECTIVE DATE. Motion carried 5-0.

**(b) Adoption of Resolution 17-15**

A motion was made by Ms. Campbell, seconded by Dr. Walker, to adopt Resolution 17-15 - A RESOLUTION OF EMERALD COAST UTILITIES AUTHORITY AFFIRMING ITS SUPPORT OF THE MISSION AND GOALS OF THE NORTHWEST FLORIDA CLEAN CITIES COALITION AND AUTHORIZING MEMBERSHIP IN THAT COALITION. Motion carried 5-0.

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(c) Purchase of unleaded and diesel fuel

A motion was made by Mr. Perkins, seconded by Mr. McCorvey, to approve authorization to utilize Okaloosa County's existing contract with James Rivers Solutions for the purchase of unleaded gasoline and diesel fuel until the Okaloosa County contract expires in March 2019, with payment from the appropriate budget line item. Motion carried 5-0.

(d) Award of bid – Pine Forest Drive sewer expansion

A motion was made by Ms. Campbell, seconded by Mr. McCorvey, to award the contract for the Pine Forest Drive Sewer Expansion to B & W Utilities, Inc., the lowest bidder, for the base bid in the amount of \$116,409.85 with funding from CIP Project CS318Q plus a transfer of funds in the amount of \$26,400.00 from CIP Project CS317. Motion carried 5-0.

(e) Exploratory excavation of 42-inch diameter force main at Interstate 10

A motion was made by Ms. Campbell, second by Dr. Walker, to (1) authorize the Executive Director to enter into an agreement with FDOT related to their project to widen I-10; and (2) waive the normal bid procedure and authorize the Executive Director to enter into a contract with Evans Contracting, the only willing contractor, to perform the exploratory excavation of the 42-inch diameter transmission force main in the vicinity of I-10, and recognize the reimbursement revenue from FDOT, and appropriate \$110,000 in the Engineering Department's operating budget. Motion carried 5-0.

(f) Proposed amendment to Interlocal Agreement and change order-Innerarity Island water system

A motion was made by Ms. Campbell, seconded by Mr. McCorvey, to authorize the Executive Director to: (1) execute an amendment to the Interlocal Agreement between the ECUA and Escambia County for the Innerarity Island Water System Improvements to increase the amount that Escambia County will reimburse the ECUA from \$600,000.00 to \$810,000.00; and (2) execute a change order in the amount of \$104,183.45 to the contract with Southern Utility Company, Inc., with funding from CIP Project CW612. Motion carried 5-0.

(g) Interlocal Agreement with Town of Jay, FL

A motion was made by Mr. McCorvey, seconded by Dr. Walker, to approve the Interlocal Agreement between the ECUA and the Town of Jay to



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define the terms and conditions that will allow the ECUA to provide solid waste and recycling collection services within the Town of Jay, FL. Motion carried 5-0.

Staff was requested to change the phone tree directory to direct Town of Jay callers to a different directory that would be more responsive to their calls.

**(h) Navy Boulevard property**

A motion was made by Mr. McCorvey, seconded by Mr. Perkins, to approve the negotiated Purchase and Sale Agreement to facilitate the sale of the surplus property located at 3726 Navy Boulevard, and authorize the Executive Director to execute that document and complete the transaction. Motion carried 5-0.

**ITEM 10 - INFORMATIONAL REPORTS**

None.

**ITEM 11 - EXECUTIVE DIRECTOR'S REPORT**

Mr. Sorrell provided the following:

- (a) The situation with Mr. Raske, who addressed the Citizens' Advisory Committee at its last meeting, has been resolved.**
- (b) Walls will be going up on the Guillemard tank project by Christmas.**
- (c) There are bags of compost located just outside the building should anyone in attendance want to take a bag at no charge as part of our marketing effort.**
- (d) Staff is working on a potential for a bank loan process to accommodate the Capital Improvement Program needs, perhaps a bank loan that will save ECUA \$14 million over the life of the debt.**

**ITEM 12 - ATTORNEY'S REPORT**

Mr. Odom reported on recent activities regarding the attempt to stop the construction of the Guillemard tank, stating that a hearing was held on

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**Monday for a motion for an injunction to stop the project. The motion was denied.**

**Mr. Odom also reported that the issues concerning the Ellyson Oaks project have been resolved and the matter is over.**

**Also, Mr. Odom reported that the Rolling Hills property has been secured.**

**Mr. Odom reported that with the hurricane activity we have had, staff entered into a Mutual Aid Agreement which facilitated a faster response on behalf of ECUA in sending personnel to Jacksonville to assist in their recovery. Also, should our area suffer from such an event, those cities would reciprocate.**

**ITEM 13 - UNFINISHED BUSINESS**

**Dr. Walker withdrew the Ellyson Oaks topic that he had added to the agenda.**

**ITEM 14 - NEW BUSINESS**

**(a) Customer Service (Campbell)**

**Ms. Campbell stated that she would like to see the Human Resources Department get the Customer Service Director any management tools he needs to further train his employees and improve ECUA's customer service.**

**Mr. Sorrell stated that this issue is already being addressed.**

**(b) Management audit (Campbell)**

**Ms. Campbell stated that in her conversations with representatives in Tallahassee, it was recommended that a management audit of ECUA be conducted due to recent complaints to Tallahassee.**

**Mr. Sorrell reported that a management audit is already underway.**

**Mr. Odom pointed out the ECUA Act stipulates that a management audit will be conducted every five years.**

**ITEM 15 - BOARD COMMUNICATIONS**

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(a) Mr. McCorvey inquired if there will be any ECUA recognition of the employees that were sent to Jacksonville and Gainesville to assist those cities following the hurricane.

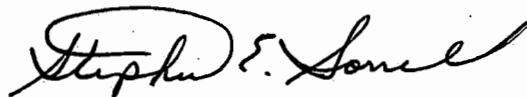
Mr. Sorrell stated that they have been recognized internally and have administrative policies in place that will provide additional recognition for those employees.

(b) Mr. Perkins reported on his attendance to CivicCon, stating perhaps ECUA should explore some of the issues presented.

**ITEM 16 - ADJOURNMENT**

There being no further business to come before the regular meeting of the Emerald Coast Utilities Authority Board, Chairman Benson declared the meeting adjourned at approximately 4:08 p.m.

Respectfully submitted,



Stephen E. Sorrell  
Executive Director and  
Secretary

**APPROVED BY THE ECUA BOARD  
IN REGULAR SESSION ON 10/26/17.**

- (X) Without corrections/amendments.  
( ) With corrections/amendments being: